

CLAIM SETS AND THE CLAIM SET LIFE CYCLE

An understanding of claim sets and the claim set life cycle is a prerequisite for using the Duplicate Claims System. All potential duplicate claims are grouped into sets. Each claim set is unique. Each claim set is assigned a unique and sequential claim set number for reference and control purposes.

1.0. DEFINITION OF A CLAIM SET

A claim set is composed of two or more Health Care Service Records (HCSRs) meeting either one of four institutional match criteria, or one of four non-institutional match criteria described in [Section 3, paragraph 2.0.](#), Criteria Used to Select Potential Duplicate Claims. These match criteria are used by the system to identify and select claims that are potential duplicates.

Each claim set contains one and only one claim that is initially assigned by the system to be the BASE claim, signifying the claim with the earliest processed-to-completion date. By default, the system assumes that the BASE claim is the one least likely (with exceptions) to be a duplicate of another claim in the set because it was processed and paid before the other claim(s) in the set. The non-BASE claim(s) are considered to be potential duplicates.

The assignment of the BASE claim also applies to sets containing claims that were processed by two different contractors. These sets are referred to as multi-contractor sets. In multi-contractor sets, the duplicate payment is assumed to be a result of a jurisdictional processing error. In such cases, the claim with the earliest processed-to-completion date could be the actual duplicate. In both single contractor claim sets and multi-contractor claim sets, the contractor is able to change the BASE claim assignment and assign a different claim in the set as the BASE claim.

1.1. Institutional Claim Sets

The Duplicate Claims System applies four institutional match criteria to institutional claims at the claim level to identify potential duplicates. In general, an institutional claim will appear in only one set. If, however, a contractor submits a HCSR adjustment and changes a claim's date of service, the claim may subsequently appear in another set. When a claim appears in more than one set, the ICN number of the claim will be displayed in the CLAIM SET SCREEN in white letters and numbers. Additional claims may be added to a set at any time, providing they meet the match criteria.

EXAMPLE: If institutional claim A and institutional claim B are identified as potential duplicates, they will appear in Claim Set 1. If another institutional claim C is identified as a potential duplicate of either claim A or claim B, the system will add

claim C to Claim Set 1. If an adjustment to claim B changes the dates of service for the claim, claim B should be labeled as a non-duplicate claim in Claim Set 1. If claim B, as it appears with the revised dates of service, is identified as a potential duplicate of another institutional claim D, claims B and D will be grouped into a new Claim Set 2.

1.2. Non-institutional Claim Sets

The Duplicate Claims System takes a different approach to identifying and linking potential non-institutional duplicate claims. Non-institutional potential duplicates are identified by comparing line item data of one claim against line item data of another claim. When a line item of one non-institutional claim is identified as a potential duplicate of another line item of another non-institutional claim, the system groups the claims with the matching line items into a set.

For example, if line item number 5 of claim D is identified as a potential duplicate of line item 7 of claim E, the system will group the two potential duplicate line items into Claim Set 2. Any additional line items on claims D and E identified as potential duplicates of each other will also be included in Claim Set 2 if the beginning date of service is the same as the other potential duplicate line items in the set. All of the line items contained in Claim Set 2 must have the same beginning date of service.

1.2.1. Display of Line Items in Non-institutional Claim Sets

Non-institutional sets contain only those line items that have been identified as potential duplicates. Any line item not identified as a potential duplicate will not be included in the claim set. For example, if claim D contains five line items and claim E contains five line items, but only line items 1, 3, and 5 on claim D are identified as potential duplicates of line items 1, 2, and 4 on claim E, the claim set will include only those matched line items. Line items 2 and 4 from claim D and line items 3 and 5 from claim E will not appear in the claim set.

If, after a set has been established, the system detects potential duplicate line items from additional (e.g., a third and fourth) non-institutional claims that match the line items previously identified and have the same dates of service, the system will add the new claims to the existing claim set. If, however, the identified line items from the third and fourth claims have different beginning dates of service, the system will create a new claim set composed of the matching line items from the third and fourth sets as long as they have identical dates of service. If an contractor submits a HCSR adjustment that changes a line item's date of service, the line item may subsequently appear in another set.

For non-institutional potential duplicate claims to appear in the same claim set, the claims must have matching sponsor Social Security Numbers; patient DEERS Dependent Suffixes; provider tax ID and sub-ID numbers; and beginning dates of service.

1.2.2. Examples of Non-institutional Claim Sets

1.2.2.1. If Claim Set 4 contains two claims, F and G, with line item 2 on both claims showing services rendered to Sally Jones for an office visit with Dr. Smith on May 1, 1995, these line items would be matched up in one set. Later, however, if claims H and I come in for

Sally Jones, both containing a line item for an office visit on October 1, 1995 with Dr. Smith, the system will group the line items with the October 1, 1995 date of service from claims H and I into a new claim set (Claim Set 5). The system will not include them in the claim set containing the line items for the May 1, 1995 office visit (Claim Set 4)---even though the line items are for the same procedure code, for the same beneficiary, and rendered by the same provider---because the beginning dates of care are different. The system will prevent contractors from having to research claims containing line items which are related to different episodes of care within the same claim set.

1.2.2.2. If Claim Set 6 contains two claims, J and H, both containing one line item for services rendered to Sally Jones. The line items are for office visits with Dr. Smith on May 1, 1995. Later, claims L and M are received for Sally Jones containing two line items each. Line item 1 on claims L and M is for a minor outpatient surgical procedure for Sally Jones (removal of an ingrown toe nail) by Dr. Smith on May 1, 1995. Line item 2 on both claims is for office visits for Sally Jones on June 1, 1995 with Dr. Smith.

The system will match the May 1, 1995, line items from claims L and M with the line items from claims J and K. Claim Set 6 will now contain four line items from four different claims. However, because line item 2 on claims L and M have a different beginning date of service, (June 1, 1995), the system will create a new claim set (Claim Set 7) for line item 2 of claims L and M. These line items will not be added to Claim Set 6.

As a result, claims L and M will appear in both Claim Set 6 and Claim Set 7, with each claim set containing different line items. When the user is researching claims J, K, L and M in Claim Set 6, the system will alert the user that claims L and M also appear in another claim set by changing the color of the ICN and suffix of Claims L and M from black to white. The system will permit the user to move directly to the “next” or “previous” claim set where L and M appear when the user double clicks on the ICNs shown in white.

1.3. Adjustments and Cancellations Associated with Claims in a Set

Following every HCSR processing cycle, generally on a daily basis, the Duplicate Claims System identifies all accepted adjustment and cancellation HCSRs which are associated with any of the HCSRs previously extracted as potential duplicates and residing in the Duplicate Claims Database. These adjustments and cancellations are extracted from the HCSR database and added to the applicable claim sets in the Duplicate Claims Database.

Adjustments to an institutional potential duplicate claim residing in the Duplicate Claims System are extracted and linked to the appropriate institutional claim set. Adjustments to a line item of a non-institutional potential duplicate claim residing in the Duplicate Claims System are extracted and linked to the appropriate non-institutional claim set.

1.4. ICNs versus Claims

ICNs in the Duplicate Claims System do not necessarily equate to a claim. A “claim” is identified by an ICN and a suffix and a time stamp. The Duplicate Claims System considers different suffixes to the same ICN to be unique claims.

2.0. THE PURPOSE OF CLAIM SETS IN THE DUPLICATE CLAIMS SYSTEM

The primary purpose of creating claim sets is to establish a method by which potential duplicate claims are linked together. Claim sets are the distinguishing unit of categorization in the Duplicate Claims System. They identify a unique grouping of claims and line items that meet one or more match criteria and, therefore, are potential duplicates. Each claim set contains at least two claims. Each claim set is identified by:

- A set number
- A status code
- A match type
- An owner FI
- An owner region

Each set also maintains totals of recoupment activities completed to date. Specifically, the set contains totals of the amounts identified for recoupment, totals of the amounts actually recouped, and totals of the allowed amounts of adjustment and cancellation HCSRs.

A claim set provides descriptive data about the claims in the set and the status of the set as it moves through the claim set life cycle to final resolution. HCSR data such as the ICN, HCSR Suffix, processed-to-completion date, sponsor Social Security Number and other patient, provider and service data are displayed for each claim. Claim sets also contain fields that require contractor entry of data to resolve the set.

3.0. THE CLAIM SET LIFE CYCLE

The claim set life cycle is the foundation of the Duplicate Claims System. Claim sets in the Duplicate Claims System are given a claim set life cycle stage, i.e., a set status, to manage the resolution process. The claim set life cycle tracks each claim set as it moves through the resolution process.

In order to resolve a claim set, the contractor must identify actual duplicate claims payments, recoup the overpayments and remove duplicate conditions from the HCSR database. Or, the contractor must explain why the claims identified as potential duplicates are not actual duplicates (e.g., twins who have received identical services). Additionally, a claim set may contain claims that are in fact actual duplicates yet none or only a portion of the monies identified for recoupment can be collected. In cases such as these, the system allows the contractor to resolve the claim set provided that an explanation for the absent or reduced recoupment is provided. The system has internal controls to ensure that the resolution process includes appropriate contractor action to fully or partially correct the duplicate condition in the HCSR database.

The claim set life cycle is composed of four stages. Each stage signifies a set status. The Open and Pending stages are considered “working” stages. Claim sets with an Open or Pending status have not been resolved. The Closed and Validate stages are considered

“resolved” stages. Claim sets in the Closed or Validate status have been resolved and the appropriate rules of resolution satisfied. The four claim set life cycle stages are described below:

3.1. The Open Stage of the Claim Set Life Cycle

This stage is the first stage in the claim set life cycle. The Open status is given to all claim sets when they are initially loaded into the Duplicate Claims Database. In this stage, claim sets are shown with a status of Open, meaning that the claim set has not been researched by the contractor to determine: (1) if actual duplicate payments were made on any of the claims in the set; (2) the reason why a duplicate payment was made or why the apparent duplicate is not a duplicate; and (3) the amount identified for recoupment, where applicable.

3.2. The Pending Stage of the Claim Set Life Cycle

Normally, this is the second stage in the claim set life cycle. A set in Pending status means that the set is “Pending Recoupment”. This status indicates that the contractor has completed the necessary research to determine which claims are actual duplicates and which claims are non-duplicates. At least one claim in the set must be an actual duplicate in order for the set to be in the Pending status. Additionally, all actual duplicates must have an amount identified for recoupment.

3.3. The Closed Stage of the Claim Set Life Cycle

This stage is considered the final stage in the claim set life cycle. It indicates that the claim set has met all of the criteria for the set to be fully resolved. The Closed status means that: (1) all actual duplicate claims in the set have been identified with an amount identified for recoupment; (2) the full amount entered in the amount identified for recoupment was received in offsets or refunds; and (3) adjustments were submitted which reflect the recoupments and correct the duplicate conditions on the HCSR database. A set also can be Closed when all claims in the set are identified as non-duplicates.

3.4. The Validate Stage of the Claim Set Life Cycle

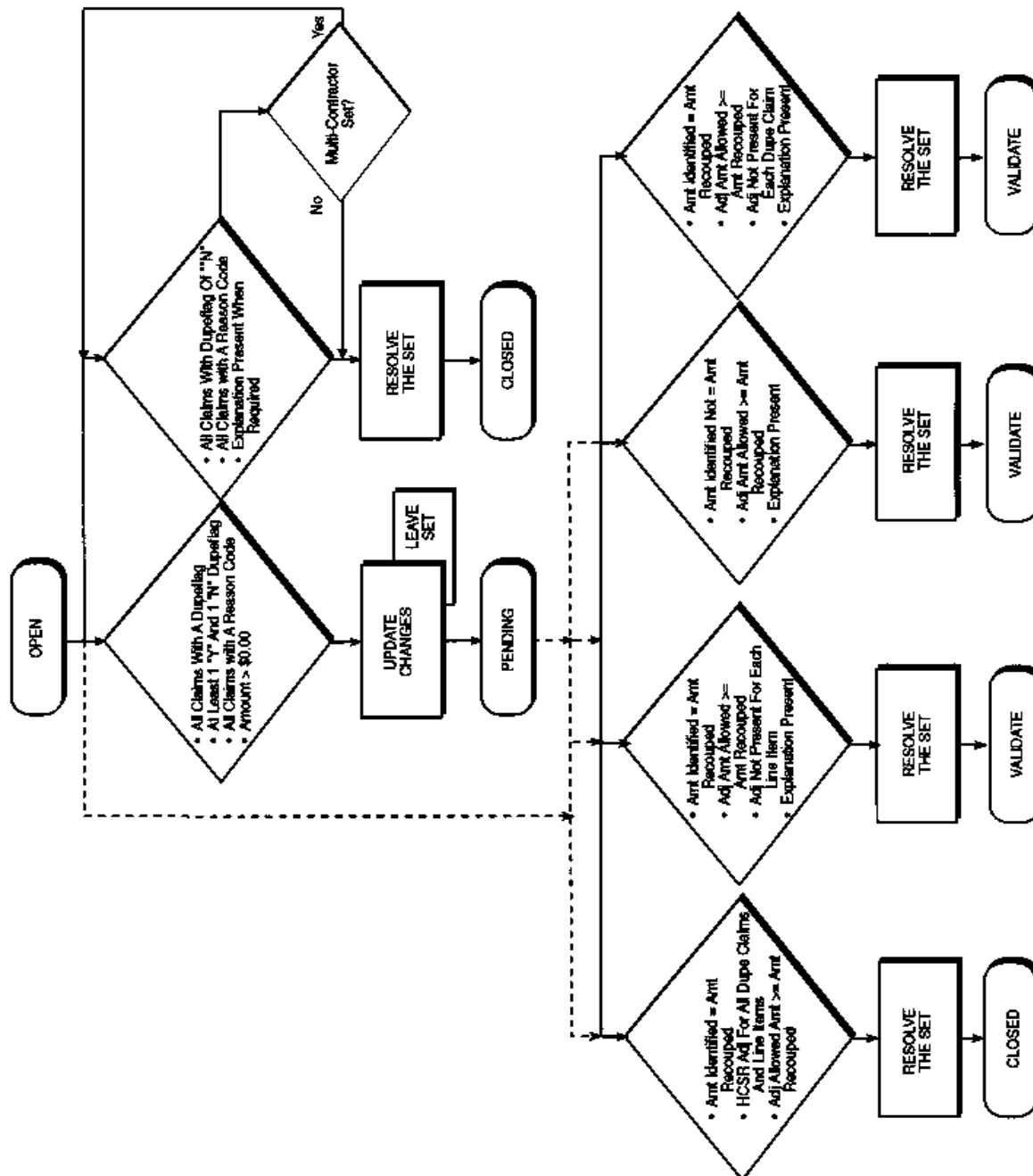
This stage in the claim set life cycle is a final, but conditional, stage. It indicates that the set did not meet the rules of resolution for fully resolving the set. For example, if only 80% of the amount identified for recoupment was collected, the system will not allow the set to be closed. The Validate status means that: (1) all actual duplicate claims in the set have an amount identified for recoupment; (2) the actual amounts recouped by refund or offset have been entered and that less than 100 percent (100%) of the amount identified for recoupment has been collected; (3) an explanation for the lower recoupment amount has been entered; and (4) the HCSR database has been updated to reflect any refunds received or offsets achieved.

The explanation must include the user’s name, the date, and the reason for the lower recoupment amount.

4.0. EXAMPLES OF SETS AT EACH STAGE OF THE CLAIM SET LIFE CYCLE

Each claim set has a status (e.g., Open) that corresponds to a stage of the claim set life cycle. The rules of resolution determine which status is given to each set. Figure 11-4-1, Rules of Resolution (below), is a flow diagram of the rules of resolution. It shows how the rules of resolution dictate changes to claim set status.

FIGURE 11-4-1 RULES OF RESOLUTION



The status of a set changes as the user enters data in five fields:

- The Dupeflag field
- The Reason Code field
- The amount identified for recoupment
- The amount actually recouped
- The HCSR adjustment flag

4.1. Open Claim Sets

This status indicates that the claim has not met the conditions defined in the rules of resolution for any other stage in the claim set life cycle. Essentially, Open claim sets are awaiting research by the contractor and subsequent action in the Duplicate Claims System.

FIGURE 11-4-2 SAMPLE OPEN SET

CLAIM SET SCREEN 08/31/1996 2:43:05 PM
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Number	Status	Match Type	Owner FI	Owner Region
SET: 75	Open	O	38	Western

Total Amt Ident Recoup:	\$0.00	RESOLVE THE SET	Load Date: 03/12/1996 31 of 9628
Total Amt Actual Recoup:	\$0.00		
Total Allowed HCSR Adj:	\$0.00		

Dupe ?	Reason Code	Identified Recoup	Actual Recoup	ICN	Suffix	Sponsor SSAN	Resp FI
N	BASE	\$0.00	\$0.00	19942380810062	A	999999999	38
		\$0.00	\$0.00	19942640802757	A	999999999	38

CLAIM DETAIL ADJUST DETAIL

Use left-click to point, key in value to change, right-click for help. Edit Locked

An example of a claim set with an Open status is shown in Figure 11-4-2, Sample Open Set (above). As shown in this figure, the contractor has not entered any data in the user-

controlled fields of this set (e.g., Dupeflag, Reason Code, Amount Identified for Recoupment).

To move a set out of an Open status, the user must enter data and invoke the rules of resolution. The user can invoke the rules of resolution by clicking the **UPDATE CHANGES** button to see if the status can be changed to Pending. The user also can invoke the rules of resolution by clicking the **RESOLVE** button to see if the status can be changed to Closed/Validate.

4.2. Pending Claim Sets

The status of a claim set can be changed from Open to Pending when an contractor completes his/her research and determines that the set contains one or more duplicates. After entering a 'Y' in the **Dupeflag** field for each duplicate, identifying the reason for each duplicate, and identifying the amount that should be recouped for each duplicate. The contractor can invoke the rules of resolution to determine if the status of the set can be changed to Pending.

In order for the status of a claim set to be changed from Open to Pending, the contractor must either click the **UPDATE CHANGES** button or leave the claim set and allow the system to make the change. In either case, the system checks for the following conditions:

- 4.2.1. All Dupeflag fields have a 'Y' or 'N'
- 4.2.2. There is at least one 'Y' and one 'N'
- 4.2.3. There is one BASE claim
- 4.2.4. All claims have a reason code
- 4.2.5. All 'Y' claims have an amount identified for recoupment greater than \$0.00

An example of a Pending claim set is shown in [Figure 11-4-3](#), Sample Pending Set (on the following page). Contractors should not initiate recoupment action on an actual duplicate claim until the set has been moved to the Pending status.

Because the **UPDATE CHANGES** button activates code that determines if a claim set meets the conditions for a Pending status, it also can be clicked to change the status from Pending to Open when the Pending conditions are no longer met.

4.3. Closed Claim Sets

This status indicates that the claim set has met the conditions defined in the rules of resolution for full resolution. These conditions require full recoupment of all actual duplicate payments identified in the claim set. Also, HCSR adjustments corresponding to the amounts actually recouped must be flagged. If the set does not contain any actual duplicates, it can be resolved to a Closed status provided that each claim has a 'N' in the Dupeflag field, a valid reason code and, if required, an explanation.

FIGURE 11-4-3 SAMPLE PENDING SET

PFW Runtime - [CLAIMS RESOLUTION]

File View Locate Modify Report Utility Help

CLAIM SET SCREEN 09/01/1996 2:40:29 PM

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Number	Status	Match Type	Owner FI	Owner Region
SET: 47	Pending	D	45	Southeast

Total Amt Ident Recoup:	\$9,876.00	RESOLVE THE SET	<u>Load Date:</u> 03/12/1996 11 of 10596
Total Amt Actual Recoup:	\$0.00		
Total Allowed HCSR Adj:	\$0.00		

Dupe ?	Reason Code	Identified Recoup	Actual Recoup	ICN	Suffix	Sponsor SSAN	Resp FI
N	BASE	\$0.00	\$0.00	19942241203686	A	222222222	45
Y	D202	\$9,876.00	\$0.00	19942431206991	A	222222222	45

CLAIM DETAIL [Navigation Buttons]

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An example of a claim set with a Closed status is shown in [Figure 11-4-4, Sample Closed Set](#) (on the following page). As described in [Section 2, paragraph 5.3.](#), The Resolve, Update Changes, and Unresolve Buttons, the **RESOLVE** button must be clicked to change the status of a claim set to Closed. Before this action, the status of the set may be Open or Pending. To meet the conditions for changing the status to Closed when one or more actual duplicates has been identified, the following conditions must be met:

- 4.3.1. All Dupeflag fields must have a 'Y' or 'N'.
- 4.3.2. There must be at least one 'Y' and one 'N' in the set.
- 4.3.3. All claims must have a valid reason code (some reason codes require a free-text explanation).
- 4.3.4. The total amount identified for recoupment must be greater than \$0.00.
- 4.3.5. The total amount identified for recoupment must equal the total amount actually recouped.

FIGURE 11-4-4 SAMPLE CLOSED SET

PfW Runtime - [CLAIMS RESOLUTION]

File View Locate Modify Report Utility Help

CLAIM SET SCREEN 08/31/1996 2:54:30 PM

A View is Set! **INSTITUTIONAL**

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Number	Status	Match Type	Owner FI	Owner Region
SET: 27	Closed	D	38	Western

Total Amt Ident Recoup:	\$2,047.66	UNRESOLVE THE SET	<u>Load Date:</u> 03/12/1996 1 of 10
Total Amt Actual Recoup:	\$2,047.66		
Total Allowed HCSR Adj:	\$2,099.96		

Dupe ?	Reason Code	Identified Recoup	Actual Recoup	ICN	Suffix	Sponsor SSAN	Resp FI
N	BASE	\$0.00	\$0.00	19940953013837	A	666666666	38
Y	D202	\$2,047.66	\$2,047.66	19941013002778	A	666666666	38

CLAIM DETAIL ADJUST DETAIL UPDATE CHANGES ☒

Edit

4.3.6. The total HCSR adjustment allowed amounts flagged must be equal to or greater than the total amount actually recouped.

4.3.7. Every duplicate claim and every duplicate line item must have a corresponding HCSR adjustment.

If no actual duplicates have been identified in a set, the following conditions must be met to change the status to Closed:

4.3.8. All claims in the claim set must have an 'N' in the Dupeflag field.

4.3.9. All claims in the claim set must have a valid 'N' reason code.

4.3.10. All Amount Identified for Recoupment and Amount Actually Recouped fields must equal \$0.00.

Closed claim sets remain on the system for two years, at which time they will be moved to an archive file. Contractors have access to Closed claim sets during this two-year time frame. The system does not allow users to modify any of the fields of a closed set unless the set is “unresolved” (i.e., moved back to the Open or Pending status by clicking the UNRESOLVE button). The archive file is maintained for seven years.

4.4. Validate Claim Sets

This status indicates that the claim set has been resolved by a contractor, but the resolution did not meet the Closed status conditions, i.e., the full amount was not refunded or offset. The set may meet one of the three conditions for changing the status to Validate, as shown in [Figure 11-4-5](#), Conditions for Changing Claim Set Status to Validate (below).

FIGURE 11-4-5 CONDITIONS FOR CHANGING CLAIM SET STATUS TO VALIDATE

CONDITION 1	CONDITION 2	CONDITION 3
The total amount identified for recoupment field is not equal to the total amount actually recouped.	The total amount identified for recoupment is equal to the total amount actually recouped.	The total amount identified for recoupment is equal to the total amount actually recouped.
and	and	and
The sum of the allowed amount(s) for all selected adjustments is greater than or equal to the total amount actually recouped.	The sum of the allowed amount(s) for all selected adjustments is greater than or equal to the total amount actually recouped.	The sum of the allowed amount(s) for all selected adjustments is equal to or greater than the total amount actually recouped.
and	and	and
The user enters an explanation for the discrepancy in the total amount identified for recoupment field and the total amount actually recouped.	There is not a selected adjustment for every claim with a dupeflag of Y.	There is at least one selected adjustment for every claim with a dupeflag of Y.
	and	and
	The user enters an explanation for the discrepancy in the number of adjustments and the number of claims with a dupeflag of Y.	There is not a selected adjustment for every line item in every non-institutional claim with a dupeflag of Y.
		and
		The user enters an explanation for the discrepancy in the number of adjustment line items selected and the number of line items in all claims with a dupeflag of Y.

An example of a claim set with a Validate status is shown in Figure 11-4-6, Sample Validate Set (below). As shown in this figure, the sum of the amount identified for recoupment, the sum of the amount actually recouped, and the sum of the associated HCSR adjustment allowed amounts satisfy condition 1 for changing the status to Validate.

FIGURE 11-4-6 SAMPLE VALIDATE SET

CLAIM SET SCREEN 08/31/1996 3:00:14 PM
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Number	Status	Match Type	Owner FI	Owner Region
SET: 2314	Validate	D	38	Western

Total Amt Ident Recoup:	\$4,079.00	UNRESOLVE THE SET	Load Date: 03/12/1996 2 of 10
Total Amt Actual Recoup:	\$3,005.00		
Total Allowed HCSR Adj:	\$3,095.92		

Dupe ?	Reason Code	Identified Recoup	Actual Recoup	ICN	Suffix	Sponsor SSAN	Resp FI
Y	D101	\$4,079.00	\$3,005.00	19942590210572	A	888888888	38
N	BASE	\$0.00	\$0.00	19942590210572	B	888888888	38

CLAIM DETAIL ADJUST DETAIL [Navigation Arrows] UPDATE CHANGES ☒

Edit

When a user clicks the **RESOLVE** button to resolve a set that does not meet the full recoupment conditions required to change the status to Closed, the system will present the user with the condition(s) under which full recoupment requirements were not met. The system will then prompt the user to continue with resolution. If the user elects to continue and the set meets one of the Validate conditions, the system will display a pop-up screen requesting an explanation for the Validate status. The user is required to type in his/her name, the date, and explanation for the Validate situation.

Validate claim sets remain on the system for five years, at which time they will be moved to an archive file. Contractors have access to Validate claim sets during this time frame but the system does not allow users to modify any of the fields unless the set is "unresolved" (i.e., moved to an Open or Pending status by clicking the **UNRESOLVE** button). The archive file is maintained for seven years.

It should be noted that any Closed or Validate claim set may be moved from Closed or Validate status back to a Pending or Open status by clicking the **UNRESOLVE** button. It should also be noted that if a new potential duplicate claim is identified which belongs in a Closed or Validate claim set, the system will add the new potential duplicate to the Closed or Validate set and change the status of the set to Open or Pending.

5.0. APPENDING NEW CLAIMS TO EXISTING SETS DURING THE MONTHLY EXTRACT CYCLE

During each monthly extract cycle, new claim sets are added to the Duplicate Claims Database. At the same time, if a new claim is identified as a potential duplicate of a claim in an existing set, it is added to the existing set. These sets are called appended sets. As the system appends these new claims to their appropriate sets, the system determines if the current Owner FI should be changed. It also determines if the status of the set should be changed.

5.1. Determining the Owner FI of Appended Sets

The system applies the general rule of assigning the Owner FI to the Responsible FI of the claim with the latest PTC date if the status of the set is Open or Closed. If the status of the set is Pending or Validate, the system ignores this rule and leaves the current assignment of the Owner FI.

5.2. Determining the Status of Appended Sets

All single contractor appended sets become Open sets. All multi-contractor appended sets are moved out of a resolved status (i.e., Closed/Validate) to a working status (i.e., Open/Pending). For multi-contractor appended sets, the following changes are applied:

- 5.2.1.** Appended sets in a Closed status are changed to Open status.
- 5.2.2.** Appended sets in a Validate status are changed to Pending status.
- 5.2.3.** Appended sets in a Pending status remain Pending sets.
- 5.2.4.** Appended sets in a Open status remain Open sets.

